

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 04.01.2019

CORAM

THE HONOURABLE MR. JUSTICE M. SUNDAR

C.S. No. 489 of 2012

&

Application No. 4688 of 2015

A.S. Hameed,
Proprietor,
No.10, A.S. Photo Beedi,
New No. 22/3,
Rangaswamy Road,
R.S. Puram,
Coimbatore - 641 002.

..Plaintiff

Vs.

P. Maharajan
Proprietor,
Raja Beedi Company,
New No. 57, Old No. 76/F,
Porpaniyalar Colony,
Sanmugharajapuram,
Coimbatore - 641 026.

..Defendant

This Civil Suit is preferred under Order IV Rule 1 of the Original Side

Rules and Order VII, Rule 1 of the CPC read with Sections 27(2), 29, 134 and

135 of the Trade Marks Act, 1999, praying to

(i) grant a permanent injunction, restraining the defendant, by

itself, its servants, agents, distributors, or anyone claiming through him

from manufacturing, selling, advertising and offering for sale using same or

similar get up, and colour scheme used by the defendants shown in Document No.2 and trade mark "No.10 A.S. PHOTO BEEDI or MAHA 10 A.S. PHOTO BEEDIES or any other similar sounding expression or in any media and use the same in invoices, letter heads and visiting cards or by using any other trade mark which is in any way visually or deceptively or phonetically similar to the Plaintiff's trade mark "No.10 A.S. PHOTO BEEDI" as shown in Document No.1 or in relation to any Beedies/tobacco items and use the same pouches, packets or use the mark in invoices, letters heads and visiting cards or any other trade literature or by using any other trade mark which is in any way visually or phonetically similar to the plaintiffs' registered Trade Mark No. 1458480 or in any manner infringe the Plaintiff's registered Trade Mark.

(b) direct the defendant to surrender to the Plaintiff all the packing material, cartons, advertisement materials and hoardings, letter-heads, visiting cards, office stationery and all other materials contains/bearing the name "No.10 A.S. PHOTO BEEDI and packets in the Colour Scheme and Get up as shown in Document No.2 or other deceptively similar trade mark used in the pouches, wrappers and packets in respect of Beedies.

(c) direct the defendant to render an account of profits made by them by the use of the impugned trademark and Get up as shown in Document No.2 on the goods referred and decree the suit for the profits

found to have been made by the defendants, after the defendants have rendered accounts.

(d) direct the defendant to pay to the plaintiff the costs to the suit and

(e) forfeit printing plates, C.D., labels, rose colour thread etc. of the respondent regarding printing materials

(f) pass such further or other order, as this Hon'ble Court may deem fit and proper in the circumstances of the case and thus render justice.

For Plaintiff :: Mr.Silambanan,
Senior Counsel for
Mr.Satheesh for
M/s. PROFEXS Associates

For Defendant :: Mr.Abishek Jenasenan

J U D G M E N T

Application No. 4688 of 2015 has been taken out by sole defendant in the main suit with a prayer for revocation of 'leave to sue' ('LTS' for brevity) granted by this Court in Application No. 2218 of 2012. Though the date on which 'LTS' was granted is not mentioned either in the leave revocation application or in the Judge's Summons, a perusal of the suit file placed before me reveals that 'LTS' was granted on 27.04.2012 in Application No. 2218 of 2012.

2. Sole plaintiff in the main suit is obviously the lone respondent in the instant leave revocation application.

3. From hereon, parties shall be referred to by their respective ranks in the main suit for the sake of convenience and clarity.

4. It is necessary to give short facts under the caption 'FACTUAL MATRIX IN A NUT-SHELL' setting out facts which are absolutely essential for appreciating this order.

5. **FACTUAL MATRIX IN A NUT-SHELL:**

(a) Nucleus of the main suit is a registered trademark being Trademark No. 1458480 registered under Class 34 for beedies and tobacco included in Class 34. The trademark registration certificate has been filed as Plaint Document No.5. This trademark is registered in favour of plaintiff and the same being nucleus of this lis, shall be referred to as 'suit TM' for the sake of convenience and clarity.

(b) A perusal of aforesaid trademark registration certificate reveals that suit TM is as follows:



(c) The aforesaid suit TM as contained in the registration certificate is in black and white. However, plaintiff gives the principal face of plaintiff's label in colour and the same is as follows:



(d) A further perusal of legal use certificate for suit TM reveals that plaintiff is user of suit TM from 15.09.1975, the trademark type is 'LABEL' and the word mark, which has been accorded registration is 'No.10 A.S. PHOTO BEEDI'.

(e) It is plaintiff's case (as can be culled out from plaintiff averments) that, sometime in November 2011, plaintiff came across deceptively similar labels being used by defendant on the same products, ie., beedies. It is the further case of plaintiff that defendant's goods with alleged infringing mark were purchased sometime in December, 2011. Saying so, plaintiff has depicted the principal face of the label of the defendant, which is as follows:



(f) On the aforesaid basis, suit has been filed with prayers seeking injunctive relief qua infringement of suit TM and usual incidental and ancillary prayers seeking surrender of packing

material, rendering of accounts. Costs and usual residual limb of a prayer also form part of the prayer paragraph.

(g) Sole defendant who entered appearance filed an application in Application No. 5255 of 2012, inter alia, under Order VII Rule 11 of 'The Code of Civil Procedure, 1908' ('CPC' for brevity) with a prayer for rejection of plaint. It is not in dispute that this application for rejection of plaint, which shall hereinafter be referred to as 'first rejection of plaint application' for the sake of convenience and clarity, came to be withdrawn by the defendant on 06.12.2012. Defendant made an endorsement in the application concerned, which reads as follows:

"Applicants seeks permission of this Court to withdraw the application.

Sd/-

(Counsel for applicant)

06.12.2012

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(h) Pursuant to the aforesaid endorsement, the following order came to be passed by Court on 06.12.2012:

"The learned counsel for the applicant prays to withdraw this application and has made an endorsement in the Court bundle.

Recording the endorsement, this application is ordered to be dismissed as withdrawn."

(i) Thereafter, defendant has taken out the instant application being Application No. 4688 of 2015, inter alia, under Clause 12 of Letters Patent with a prayer for revocation of leave, which was granted at the time of inception of suit. To be noted, details pertaining to grant of 'LTS' (as available in the suit file placed before me) have already been alluded to supra.

(j) Plaintiff has filed counter affidavit in Application No. 4688 of 2015. Pleadings are thus complete and the instant application for revocation of leave is before this Commercial Division today.

6. Having set out brief factual matrix under the caption "FACTUAL MATRIX IN A NUT-SHELL", this Commercial Division now moves on to the grounds on which leave revocation application is predicated and the grounds on which the same is resisted. In other words, we move on to rival submissions.

7. Submissions made by Mr. Abishek Jenasenan, learned counsel

<http://www.judis.nic.in> for defendant with regard to leave revocation application are as follows:

(a) A perusal of the plaint will reveal that both plaintiff and defendant are in Coimbatore and they neither carry on business nor reside within the territorial jurisdiction of this Commercial Division. Specific reference is drawn to short and long cause titles in the plaint and also the statement under Order VI Rule 14A of CPC at the tail end of the plaint.

(b) The cause of action paragraph in the plaint being paragraph No. 36 will reveal that there is nothing to show that any part of cause of action, however, infinitesimally small it may be, has arisen within the territorial jurisdiction of this Court. To put it differently, it unfurls from plaint averments that no part of cause of action has arisen within the territorial jurisdiction of this Court.

(c) As a corollary submission, being corollary to the aforesaid two submissions, it was argued that as both plaintiff and defendant neither reside nor carry on business within the territorial jurisdiction of this Court and as no part of cause of action has arisen within the territorial jurisdiction of this Commercial Division, LTS granted is liable to be revoked. As a buttressing submission, it was submitted that benefit under Section 134 (2) of The Trade Marks Act, 1999 is also not available to the plaintiff as plaintiff does not carry on business or reside

within the territorial jurisdiction of this Court.

(d) On instructions, it is submitted that defendant is carrying on business, as far as beedies and tobacco products are concerned, only in Coimbatore District and areas in and around Coimbatore District. To put it differently, defendant does not carry on business with regard to beedies and tobacco products in Chennai and certainly not within the territorial jurisdiction of this Commercial Division.

8. Mr.Silambanan, learned Senior Counsel, instructed by Mr. Satheesh for M/s. PROFEXS ASSOCIATES (Law Firm), learned counsel on record for plaintiff, made submissions, which are as follows:

(a) There is no specific averment in the plaint that defendant has committed infringement qua suit TM within the territorial jurisdiction of this Commercial Division. However, in the light of specific submission made by defendant's counsel on instructions that defendant is carrying on business in this line of activity only in Coimbatore District and areas in and around Coimbatore District, the points raised in this regard stand doused.

(b) The defendant having filed reject the plaint application earlier i.e, first reject the plaint application (A.No.

5255 of 2012) and having withdrawn the same on 06.12.2012 unconditionally, without taking leave of the Court, has filed applications with same and similar prayers and therefore, the instant application is not maintainable.

9. Having set out rival submissions, this Commercial Division now proceeds to discuss the rival submissions and sift through the plaint to find an answer as to whether leave granted for institution of the instant suit is liable to be revoked. This is done under the caption 'DISPOSITIVE REASONING' infra.

DISPOSITIVE REASONING:

(a) A perusal of rival submissions, which have been captured and set out supra would reveal that there is no dispute or disagreement between the parties as it unfolded and unfurled in the hearing today before me, that both parties to the lis, i.e, plaintiff and defendant, neither carry on business nor reside within the territorial jurisdiction of this Commercial Division. Therefore, there is a straightforward and neat answer to Section 134(2) of The Trade Marks Act, 1999. In other words, Section 134(2) of The Trade Marks Act, 1999 is not available to plaintiff.

(b) As Section 134(2) of The Trade Marks Act, 1999 is not available to plaintiff, the only ground that has to be tested is Clause 12 of Letters Patent. To be noted, Section 20 of CPC is not applicable to this Commercial Division as this is a Court exercising Ordinary Original jurisdiction. Section 120 of CPC excludes Section 20 of CPC to a High Court exercising Original Civil jurisdiction. Sheet anchor qua jurisdiction for the plaintiff, if any and if at all, can only be under Clause 12 of Letters Patent. In the light of importance of Clause 12 and in the light of Clause 12 becoming sheet anchor, I deem it appropriate to extract Clause 12 of Letters Patent, which reads as follows:

"12. Original jurisdiction as to Suits – And we do further ordain that the said High Court of Judicature at Madras, in exercise of its Ordinary Original Civil jurisdiction, shall be empowered to receive, try and determine suits of every description if, in the case of suits for land or other immovable property, such land or property shall be situated, or, in all other cases, if the cause of action shall have arisen, either wholly, or, in case the leave of the Court shall have been first obtained, in part, within the local limits of the Ordinary Original jurisdiction of the said High Court: or if the Defendant at the time of the commencement of the suit shall dwell or carry on business or personally work for gain, within such limits; except that the said High Court shall not have such original jurisdiction in cases falling within the jurisdiction of the Small Cause at Madras, in which the debt or damage, or value of the property sued for, does not exceed hundred

rupees.”

(c) Clause 12 of Letters Patent was explained by this Commercial Division in a recent judgment in *Captain Tractors V. Ashok Leyland* authored by me.

(d) Clause 12 of Letters Patent envisages two categories of suits, one category is suits pertain to land and other immovable properties and the other category has been put under one generic basket using the expression 'in all other cases'. In other words, two categories of suits envisaged by clause 12 of Letters Patent are suits pertaining to land/immovable property and the other category is 'all other cases'. Obviously, the instant suit falls under the category 'all other cases' as it is a suit complaining of infringement of suit TM, which is a registered trademark. To be noted, this is a statutory suit under the Trade Marks Act. As far as second category of cases envisaged under Clause 12 of Letters Patent is concerned, it is imperative that at the time of commencement of the suit, defendant should dwell or carry on business or personally work for gain within the territorial jurisdiction of the Court exercising ordinary original jurisdiction. If that not be so, cause of action should have arisen either wholly

or in part, within the territorial jurisdiction of the Court exercising ordinary original jurisdiction and in such cases, leave of the Court should be first obtained.

(e) In the instant case, as would be evident, from the factual matrix alluded to supra, LTS was first obtained vide order dated 27.04.2012 in Application No. 2218 of 2012. The proposed plaint, on the basis of which LTS has been obtained has now assumed the shape of plaint in the suit file vide C.S. No. 489 of 2012. The cause of action paragraph in this plaint is paragraph No.36 and the same reads as follows:

"36. The cause of action for the above suit for infringement and passing off arose from November, 2011, when the plaintiffs first came across the Defendant's goods in the market bearing the deceptively similar mark "No.10 A.S. PHOTO BEEDI. The cause of action continues to arise with every sale of the Defendant's impugned goods. The Plaintiff purchased the Defendant's goods with the infringing mark in December, 2011. The suit is filed within the period of limitation. Therefore, this Hon'ble Court has the jurisdiction to entertain and try this suit. Any services to the defendant shall made through the District Munsif, Coimbatore."

(f) Besides a perusal of cause of action paragraph, as alluded to supra, a perusal of the plaint as a whole also reveals that there is no shred of averment or whisper in the plaint that any part of cause of action has arisen within the territorial

jurisdiction of this Commercial Division. As already alluded to supra, defendant is neither residing nor carrying on business within the territorial jurisdiction of this Commercial Division. Therefore, it follows as a natural and inevitable sequitur that leave obtained on the basis of the plaint, which is now placed before me, as part of the suit file, deserves to be revoked.

(g) However, as there was an earlier reject the plaint application and as a plea has been made before this Commercial Division that unconditional withdrawal of 'first reject the plaint application' comes in the way of the instant application, it may be necessary to deal with the same also.

(h) To be noted, today, when the matter was listed, along with aforesaid Application No. 4688 of 2015, another application being Application No. 5592 of 2015 has also been listed. This Application No. 5592 of 2015 is also with a prayer for rejection of plaint and therefore, the same shall be referred to as 'second reject the plaint application'.

(i) Learned Senior Counsel for defendant submitted that withdrawal of 'first reject the plaint application' comes in the way

of the applications before this Commercial Division today in the light of doctrine of res judicata enshrined in Section 11 of CPC.

(j) This Commercial Division is unable to accept this submission for two reasons. One reason is, bar, if any, can only be with regard to 'second reject the plaint application' ie., Application No. 5592 of 2015. This is on a demurrer, i.e, if Section 11 of CPC is attracted. That would not, therefore, bar Application No. 4688 of 2015, which is for revocation of leave as it has been filed not under Order VII Rule 11 of CPC, but under Clause 12 of Letters Patent.

(k) The second reason as to why this Commercial Division is unable to accept the submission of the learned Senior Counsel is Section 11 of CPC will be attracted only when there is a finding on merits. When an application is withdrawn simpliciter albeit unconditionally, Section 11 of CPC will not be attracted. Though it is well settled that doctrine of res judicata enshrined in Section 11 of CPC will not be attracted when it is a withdrawal simpliciter and when there is no order on merits, this Commercial Division deems it appropriate to refer to *Erach Boman Khavar V. Tukaram Shridhar Bhat and Another reported in (2013) 15 SCC 655*.

In *Erach Boman Khavar's* case, the Honourable Supreme Court reiterated the position that plea of res judicata cannot be taken up unless there is an expression of opinion on merits. The Honourable Supreme Court reiterated the obtaining position that it is settled law that principle of res judicata is applicable only when a matter is decided at an earlier stage on merits. This has been articulated by the Honourable Supreme Court in paragraph No.39 of the aforesaid judgment and the same reads as follows:

"39. From the aforesaid authorities, it is clear as crystal that to attract the doctrine of res judicata it must be manifest that there has been a conscious adjudication of an issue. A plea of res judicata cannot be taken aid of unless there is an expression of an opinion on the merits. It is well settled in law that principle of res judicata is applicable between the two stages of the same litigation but the question or issue involved must have been decided at earlier stage of the same litigation."

Therefore, 'second reject the plaint application' i.e, Application No. 5592 of 2015 is certainly not hit by the doctrine of res judicata, i.e, Section 11 of CPC.

(l) However, as I am holding that revocation of leave application in Application No. 4688 of 2015 is certainly not hit, in any manner, by doctrine of res judicata, once Application No. 4688 of 2015 is disposed of by this order, 'second reject the plaint

application' ie., Application No. 5592 of 2015 will simply become otiose. Therefore, I deem it appropriate not to deal any further with this aspect of the matter. However, as arguments were advanced on this basis also, for the purpose of comprehensively capturing what unfolded and unfurled in the hearing before me, this is being set out.

(m) The entire maze of this leave revocation application turns on the question as to whether mere registration of suit TM in Chennai within the territorial jurisdiction of this Commercial Division would confer jurisdiction and this issue has been conclusively determined/settled by a Full Bench of this Court in *Duro Flex Private Limited V. Duro Flex Sitzings System* reported in 2014(6) CTC 577. This Full Bench judgment of our High Court was authored by Honourable Chief Justice Sanjay Kishan Kaul (as His Lordship then was) and it was held that mere registration of a trademark in Chennai would not create cause of action in Chennai.

(n) Two questions which the Full Bench addressed itself to are captured in paragraph No.5 of *Duro Flex* case, which reads as follows:

"5. The other aspect which arose was qua the Principle of

Forum Conveniens, which was not applicable to domestic disputes governed by the Code of Civil Procedure, as observed by a Division Bench of the Delhi High Court in Horlicks Ltd. And another V. Heinz India (Pvt) Limited, 2010 (42) 156 PTC (Delhi) (DB), authored by one of us (S.K.K.. C.J.,) relying upon the earlier judgment of the Honourable Supreme Court, but then it would have relevance in determining whether leave has to be granted or not, where part of the cause of action arises in Chennai, under Clause 12 of the Letters Patent. We, thus, opined that the matter has to be referred to a Larger Bench, in view of the conflict of views and it was so done by framing the following questions to be answered:

(i) *Whether the situs of the Trade Mark Registry in Chennai and the name being on its register would itself give rise to cause of action to institute a Suit in the Madras High Court?*

(ii) *Whether the Principle of Forum Conveniens or analogous principles apply to consideration of an Application for leave to sue under Clause 12 of the Letters Patent in case part of cause of action arises at Chennai?"*

It is the aforesaid two legal questions that have arisen for our

consideration."

(o) The relevant paragraphs answering the aforesaid two questions, which the Full Bench addressed itself to are paragraph Nos. 44, 47, 49 and 57 and they read as follows:

"44. We are in agreement with the submission for the

learned Counsel for the Respondents that the mere registration of the Trade Mark at Chennai would not create the complete cause of action at Chennai. The registration of the mark is a fact, but cause of action would consist of a bundle of facts. Thus, more than one fact would have to be taken into account to determine the location of a particular Trade Mark which connects the Trade Mark to the place.

....

47. If we look at the provisions of Section 134 of the Trade Marks Act, they seek to carve out an exception to the principles enunciated to the Exception to Section 20 of the Code of Civil Procedure, to the extent by giving an advantage to the Plaintiff to have the right to sue at the place of its location or where it carries on business. This is a provision beneficial to the Plaintiff. The scope of the Section cannot be expanded to give benefits to the Plaintiff in matters of institution of Suit which have not been conferred by the legislature. There is no conferment of rights on the basis of where the Trade Mark is registered and if the legislative intent was so, it would have been accordingly provided.

...

49. We, thus, conclude on this question by observing that the fact that the situs of the registration of Trade Mark is with the Trade Mark Registry at Chennai by itself would not be sufficient to give rise to cause of action to institute the Suit in the Madras High Court, though it may be a factor to be taken into account, among the bundle of facts, for purposes of determining the situs of the cause of action. The legal view to the contrary expressed in the various

judgments referred to by the learned Counsel for the Appellant thus stands overruled.

....

57. There is little doubt that the Principles of Forum Conveniens, though not applicable to Civil proceedings, have a role to play insofar as the consideration of grant of leave or revocation thereof under Clause 12 of the Letters Patent is concerned. This is irrespective of the fact as to what expression is used. As observed aforesaid, the balance of convenience is also forum conveniens. The test applied is of appropriateness or suitability of the forum which ought to apply, whether it be called forum conveniens or that the jurisdiction of the Court under Section 20 of the Code of Civil Procedure is different from Clause 12 of the Letters Patent: Food Corporation of India case (supra).

To be noted, while paragraph Nos. 44, 47 and 49 are in answer to first of the two questions, which the Full Bench addressed itself to, paragraph No. 57 is an answer to second of the two questions, which the Full Bench addressed itself to.

(p) One interesting feature, which led to the aforesaid *Duro Flex* case is that there were two divergent views taken by two different Division Benches of this Court with regard to the question as to whether mere registration of a trademark within the jurisdiction of this Court will confer jurisdiction on this Court to entertain a suit complaining of infringement of trademark.

While this question was answered in the affirmative or in other words, while it was held that this Court will have jurisdiction merely owing to registration of a trademark within the jurisdiction of this Court in *Ramu Hosieries case* by a Division Bench reported in 1998 (II) CTC 230, another Division Bench, more than a decade later, in *Shabbir Medical Hall's case*, took a diametrically opposite view and held that mere registration of a trademark within the jurisdiction of this Court will not confer jurisdiction on this Court to entertain a suit complaining infringement of trademark. *Shabbir Medical Hall's case* is reported in 2010 (3) CTC 864. Another undisputed interesting aspect is *Shabbir Medical Hall's case* was rendered after referring to *Ramu Hosieries case*.

(q) Relevant paragraph in *Ramu Hosieries case* is paragraph No.9, which reads as follows:

"9. Normally, the jurisdiction of the Civil Court in relation to movable property has to be determined with reference to cause of action. Right or interest in a trade mark can only be a movable property having regard to the definition in the General Clauses Act. Admittedly, the trademark has been put to use and exploited and registered at Madras. Therefore, the cause of action in such suit can be taken to arise where the property is situate or where

it was marked or exploited and registration assumes all significance, because in a suit for infringement of a trade mark, the plaintiff has to establish the cause of action by showing that he has a property right in a trade mark and the same has been infringed by the other party. Where the infringement had taken place partly in one jurisdiction by way of advertisement and rest in another jurisdiction by marketing the product, then, the registered owner of the trade mark can maintain the suit either at the place where the cause of action arose partly or wholly which includes the place of registration, advertisement or marketing. This can be by showing that his trade mark has been registered with the Registrar of Trade Marks. Therefore, it cannot be said that no part of the cause of action arose at Madras. Thus, the finding of the Learned Judge, that unless the goods are actually marketed, it cannot be said that there has been an infringement of the trade mark within the jurisdiction of this Court, is unsustainable. We answer both the questions in the affirmative. "

As mentioned supra, Shabbir Medical Halls' case took a contrary view though reference to Ramu Hosieries case was made in paragraph No.10 of Shabbir Medical Halls's case. The aforesaid diametrically opposite divergent views of two Division Benches led to the constitution of a Larger Bench in which Duro Flex judgment was rendered by Honourable Chief Justice Sanjay Kishan Kaul (as His Lordship then was).

(r) This takes us to a very interesting aspect of the matter.

(s) Duro Flex judgment was rendered on 04.12.2014, but, the instant plaint was presented in this Court on 20.03.2012. As mentioned supra, LTS was granted on 27.04.2012. In other words, Duro Flex principle was not available on the date of presentation of the plaint. Though this aspect of the matter was not canvassed by both sides before me, I deem it appropriate to refer to this, as *Duro Flex case* was pressed into service and there was a reference to *Ramu Hosieries case* and *Shabbir Medical Halls' case* by both sides.

(t) A judgment is always prospective unless there is a specific rendering in the judgment that it would be retrospective. Therefore, there can be no two opinions about the fact that on the date of presentation of plaint and on the date of grant of LTS, Duro Flex principle was not operating, but, Section 134 and more specifically, Section 134(2) of the Trade Marks Act, 1999 was operating. To be noted, Trade Marks Act is of the year 1999 and the same came into effect on and from 15.09.2003. Section 134 was explained in *Duro Flex case*. More importantly, *Ramu Hosieries* is a judgment dated 06.07.1998. On 06.07.1998, The Trade Marks Act, 1999 had not come into force. The Trade and Merchandise Marks Act, 1958 was operating. Therefore, *Ramu*

Hosieries case was a judgment that was rendered under the old Trade Marks Act, i.e, The Trade and Merchandise Marks Act, 1958. What is of utmost relevance, in the instant case, is there was no equivalent of Section 134(2) in the old Trade Marks Act, i.e, The Trade and Merchandise Marks Act, 1958. Section 134(2), which creates a forum or jurisdiction based on the plaintiff's place of business or place of residence is a new legal concept for trademark infringement suits which was brought into trademarks arena only by 1999 Act. The Trade Marks Act, 1999, which as mentioned supra, came into effect only, on and from 15.09.2003. Therefore, the instant plaint presented on 20.03.2012 cannot be said to have been presented on the basis of *Ramu Hosieries* principle. If at all, on the date of presentation of the instant suit, i.e, 20.03.2012, *Shabbir Medical Halls'* case was operating. To be noted, the judgment rendered in *Shabbir Medical Hall's case* is dated 26.02.2010. If *Shabbir Medical Hall* principle is applied, the suit ought not to have been filed in this Court.

(u) To be noted, for the purpose of abundant clarity, it could well be stated that on the date of presentation of the instant plaint, i.e, 20.03.2012, *Shabbir Medical Hall* principle, reported in *2012 (3) CTC 864 (DB)* being a judgment dated

26.02.2010 alone was applicable. The judgment in *Ramu Hosieries case* dated 06.07.1998 would not be applicable as it was rendered only under the old Trade Marks Act, i.e, The Trade and Merchandise Marks Act, 1958 (the new Trade Marks Act i.e, Trade Marks Act, 1999 came into effect, on and from 15.09.2003). Therefore, even if Duro Flex principle is not made applicable to the plaint, leave granted is liable for revocation.

(v) Be that as it may, another feature is the submission made by Mr. Abishek Jenasenan with regard to Section 134 of The Trade Marks Act, 1999 and the same being amply explained in *Indian Performing Rights Society Limited V. Sanjay Dalia And Another* reported in (2015) 10 SCC 161.

(w) In *Sanjay Dalia's case*, the Honourable Supreme Court, while explaining the purport of Section 134 of The Trade Marks Act, 1999 held that a plaintiff, who is carrying on business or residing within the territorial jurisdiction of a particular Court, can institute a trademark infringement suit there notwithstanding the fact that defendant is not within the territorial jurisdiction of that Court, but, it does not create an additional jurisdiction for a plaintiff, who does not primarily

reside or carry on business within a particular Court to file a suit merely with the intention of harassing the defendant. This aspect of the matter has been articulated and elucidatively laid down by the Honourable Supreme Court in *Sanjay Dalia's* case in paragraph No.18 and it reads as follows:

"18. On a due and anxious consideration of the provisions contained in Section 20 CPC, Section 62 of the Copyright Act and Section 134 of the Trade Marks Act, and the object with which the latter provisions have been enacted, it is clear that if a cause of action has arisen wholly or in part, where the plaintiff is residing or having its principal office/carries on business or personally works for gain, the suit can be filed at such place(s). The plaintiff(s) can also institute a suit at a place where he is residing, carrying on business or personally works for gain de hors the fact that the cause of action has not arisen at a place where he/they are residing or any one of them is residing, carries on business or personally works for gain. However, this right to institute suit at such a place has to be read subject to certain restrictions, such as in case the plaintiff is residing or carrying on business at a particular place/having its head office and at such place cause of action has also arisen wholly or in part, the plaintiff cannot ignore such a place under the guise that he is carrying on business at other far-flung places also. The very intendment of the insertion of provision in the Copyright Act and the Trade Marks Act is the convenience of the plaintiff. The rule of convenience of the parties has been given a statutory expression in Section 20 CPC as well. The interpretation of provisions has to such

which prevents the mischief of causing inconvenience to the parties. "

10. In the light of all that have been set out supra and in the light of the narrative thus far, particularly, dispositive reasoning alluded to supra, this Commercial Division has no hesitation in holding that the leave granted to institute the instant suit deserves to be revoked. In other words, the suit i.e, C.S. No. 489 of 2012 ought not to have been filed in this Court. This Court cannot entertain the instant suit, C.S.No. 489 of 2012 as both parties to the lis neither reside nor carry on business within the territorial jurisdiction of this Court and no part of cause of action, not even an infinitesimally small part of cause of action, has arisen within the territorial jurisdiction of this Court.

11. In the result, prayer in Application No. 4688 of 2015 is acceded to and leave is revoked. In other words, Application No. 4688 of 2015 is allowed. Axiomatically, suit in C.S. No. 489 of 2012 is dismissed.

12. Though dismissal of the suit may warrant costs being imposed, considering the fair submissions that have been made at the bar today, this Commercial Division refrains from imposing costs and leaves the parties to bear their respective costs.

13. Though obvious, it is made clear that this order will not

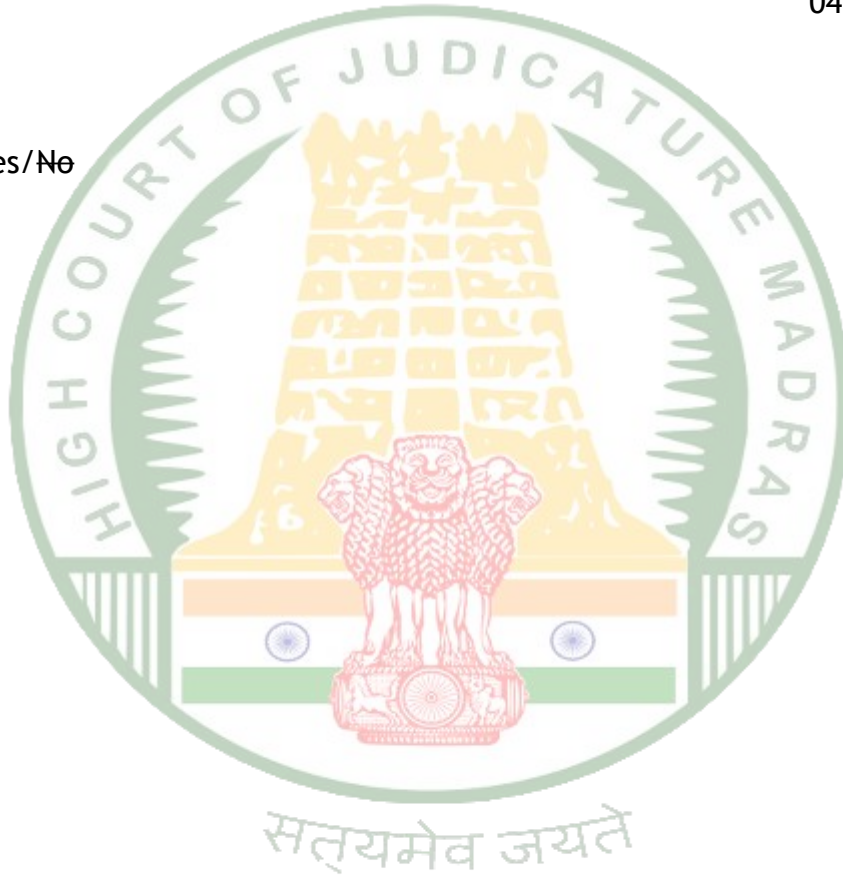
preclude the plaintiff from filing a suit/suits afresh in the jurisdictional Court concerned on the same cause of action as it is a case of revocation of leave and not dismissal of the suit on merits.

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